

ICICI Prudential Asset Management Co Ltd

IPO Note



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ICICI Prudential Asset Management Company Limited (ICICI AMC) is a leading player (2nd Largest AMC by QAAUM) in India's AMC industry, renowned for its market dominance, profitability, and innovative investment solutions. Established as a 51:49 joint venture between ICICI Bank and Prudential Corporation Holdings, ICICI AMC is the largest AMC in India by active MF QAAUM, managing INR 8,635.7 bn with a market share of 13.3%. The company manages a total of INR 10,876.9 bn in assets, including MF and alternative investments. ICICI AMC also excels in Equity and Equity-Oriented QAAUM (55.8% of MF QAAUM), holding a dominant market share of 13.6%, reflecting its strength in higher-fee, growth-oriented asset classes.

Additionally, the Alternates QAAUM, which includes PMS, AIF, and advisory services, has reached INR 729.3 bn, reflecting IPAMC's successful diversification. Company leads in SIPs with monthly inflows of INR 48.0 bn and 14.2 mn transactions as of Sep 25. Notably, 92.5% of these have maturity over five years, highlighting strong investor stability. The Individual Investor MAAUM of INR 6,610.3 bn (13.7% market share) underscores its dominance in the retail segment.

ICICI AMC is one of the most profitable AMCs in India, with total income growing by 20.0% in H1 FY26 and PAT increasing by 29.3% from FY24 to FY25. The company achieved an exceptional RoE of 86.8% in H1 FY26, reflecting outstanding capital efficiency. The company's zero external borrowings and low-CAPEX operational model ensures ability to sustain high profitability and exceptional RoE.

Key Risks :

- Market Risks:** Volatility can reduce AUM and trigger redemptions, with **MTM losses** occurring if asset values decline.
- Regulatory Risks:** Non-compliance may lead to fines, tax disputes, and regulatory changes, such as yield compression from TER adjustments, impacting profitability.
- Operational Risks:** High employee attrition, dependence on third party distributors, brand reliance, third-party issues, and cybersecurity threats.

Key Consolidated Financial Data (INR Cr, unless specified)

	Net Revenue	EBITDA	Net Profit	EBITDA (%)	Net (%)	EPS (₹)	BVPS (₹)	RoE (%)	P/E (X)	P/B (X)
FY23	2,837.4	2,071.8	1,515.8	73.0	53.4	30.7	46.8	65.5	70.6	46.3
FY24	3,758.2	2,777.03	2,049.7	73.9	54.5	41.5	58.3	71.1	52.2	37.1
FY25	4,977.3	3,634.65	2,650.7	73.0	53.3	53.6	71.2	75.4	40.4	30.4

Source: Company RHP

Issue Structure and Offer Details

ICICI AMC IPO is a book build issue of INR 10,602.65 cr. The issue is entirely an offer for sale (OFS) of 4.90 cr shares of INR 10,602.65 cr.

Issue Structure	
Investor Category	Allocation
QIB	Not more than 50% of the Net Issue
NII (HNI)	Not less than 15% of the Net Issue
Retail	Not less than 35% of the Net Issue

Number of shares based on a higher price band of INR 2,165

Source: Company Reports

Objects of the Issue

- To carry out an OFS of up to 48,972,994 Equity Shares with a face value of INR 1 each, by the Promoter Selling Shareholder.
- To achieve the benefits of listing the Equity Shares on the Stock Exchanges.

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25	Fig in INR Cr (unless specified)	FY23	FY24	FY25
Income Statement							
Revenue	2,837.4	3,758.2	4,977.3	Adjusted EPS (INR)	30.7	41.5	53.6
<i>YoY Growth (%)</i>	7.7	32.5	32.4	Adjusted Cash EPS (INR)	31.7	42.8	55.4
Employee Cost	411.7	521.6	614.2	Adjusted BVPS (INR)	46.8	58.3	71.2
<i>Employee Cost to Sales (%)</i>	14.5	13.9	12.3	Adjusted CFO per share (INR)	28.3	35.7	52.1
Other Expenses	353.9	459.6	728.5	CFO Yield (%)	1.3	1.6	2.4
<i>Other Exp to Sales (%)</i>	12.5	12.2	14.6	Adjusted FCF per share (INR)	27.7	34.8	44.0
EBITDA	2,071.8	2,777.0	3,634.7	FCF Yield (%)	1.3	1.6	2.0
<i>Margin (%)</i>	73.0	73.9	73.0	Solvency Ratio (X)			
<i>YoY Growth (%)</i>	4.0	34.0	30.9	Total Debt to Equity	0.0	0.0	0.0
Depreciation & Amortization	50.5	65.7	85.4	Net Debt to Equity	(0.3)	(0.4)	(0.4)
EBIT	2,021.3	2,711.3	3,549.3	Net Debt to EBITDA	(0.4)	(0.4)	(0.4)
<i>Margin (%)</i>	71.2	72.1	71.3	Return Ratios (%)			
<i>YoY Growth (%)</i>	4.1	34.1	30.9	Return on Equity	65.5	71.1	75.4
Other Income	0.8	3.0	2.3	Return on Capital Employed	66.0	71.4	75.7
Interest	14.9	16.2	18.6	Return on Invested Capital	132.4	147.3	180.6
Fin Charges Coverage (X)	135.6	167.5	191.3	Working Capital Ratios			
Exceptional Item	0.0	0.0	0.0	Payable Days (Nos)	10	11	12
PBT	2,007.2	2,698.1	3,533.1	Receivable Days (Nos)	14	19	17
<i>Margin (%)</i>	70.7	71.8	71.0	Net Working Capital Days (Nos)	4	8	5
<i>YoY Growth (%)</i>	4.1	34.4	30.9	Net Working Capital to Sales (%)	1.2	2.1	1.4
Tax Expense	491.4	648.4	882.4	Valuation (X)			
<i>Tax Rate (%)</i>	24.5	24.0	25.0	P/E	70.6	52.2	40.4
PAT	1,515.8	2,049.7	2,650.7	P/BV	46.3	37.1	30.4
<i>Margin (%)</i>	53.4	54.5	53.3	EV/EBITDA	51.3	38.2	29.0
<i>YoY Growth (%)</i>	4.2	35.2	29.3	EV/Sales	37.4	28.2	21.2
Balance Sheet							
Share Capital	17.7	17.7	17.7	Cash Flow Statement			
Total Reserves	2,295.4	2,865.2	3,499.3	PBT	2,007.2	2,698.1	3,533.1
Shareholders Fund	2,313.1	2,882.8	3,516.9	Adjustments	(112.8)	(238.6)	(89.6)
Long Term Borrowings	0.0	0.0	0.0	Change in Working Capital	(3.0)	(46.6)	12.4
Deferred Tax Assets / Liabilities	(19.4)	16.8	28.7	Less: Tax Paid	(491.4)	(648.4)	(882.4)
Other Long Term Liabilities	170.3	213.6	275.0	Cash Flow from Operations	1,400.0	1,764.5	2,573.5
Long Term Trade Payables	5.7	6.5	10.0	Net Capital Expenditure	(40.5)	(54.4)	(411.1)
Long Term Provisions	904.5	905.7	1,520.7	Change in Investments	(88.9)	(191.2)	(101.8)
Total Liabilities	3,374.2	4,025.4	5,351.3	Cash Flow from Investing	(129.4)	(245.6)	(512.9)
Net Block	149.9	199.4	309.2	Change in Borrowings	(29.6)	(33.6)	(37.4)
Capital Work in Progress	4.9	3.2	284.1	Less: Finance Cost	(14.9)	(16.2)	(18.6)
Intangible assets under development	1.8	3.3	4.6	Proceeds from Equity	0.0	0.0	0.0
Non Current Investments	1,532.8	1,863.0	1,748.8	Buyback of Shares	0.0	0.0	0.0
Long Term Loans & Advances	933.7	936.9	1,556.8	Dividend Paid	(1,219.8)	(1,477.5)	(2,012.3)
Other Non Current Assets	63.3	79.8	43.1	Cash flow from Financing	(1,264.3)	(1,527.3)	(2,068.3)
Net Current Assets	687.7	939.8	1,404.8	Net Cash Flow	6.3	(8.3)	(7.7)
Total Assets	3,374.2	4,025.4	5,351.3	Opening Balance of Cash	25.2	31.5	23.1
				Closing Balance of Cash	31.5	23.1	15.4

Source: Company RHP

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